STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

AMEREN TRANSMISSION COMPANY OF ILLINOIS	)	
Petition for a Certificate of Public Convenience and Necessity, pursuant to Section 8-406.1 of the Illinois Public Utilities Act, and an Order pursuant to Section 8-503 of the Public Utilities Act, to Construct, Operate and Maintain a New High Voltage Electric Service Line and Related Facilities in the Counties of Adams, Brown, Cass, Champaign, Christian, Clark, Coles, Edgar, Fulton, Macon, Montgomery, Morgan, Moultrie, Pike, Sangamon, Schuyler, Scott and Shelby, Illinois.	)	Docket No. 12-0598

INITIAL POST-HEARING BRIEF
BY
THE MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC.

I. INTRODUCTION

The Midcontinent Independent System Operator, Inc. ("MISO") supports approval of ATXI's planned transmission project, commonly referred to as the "Illinois Rivers Project" or the "IRP" (also referred to herein as the "Project"). The evidentiary hearing conducted on May 13 through May 17, 2013, provided record support for approval of ATXI's application that seeks a Certificate of Public Convenience and Necessity for the IRP under Sections 8-406.1 and 8-503 of the Illinois Public Utilities Act, as the route and facilities proposed by ATXI have been adjusted during the regulatory approval process before the Illinois Commerce Commission ("ICC").

MISO is a regional transmission organization ("RTO"), under the supervision of the Federal Energy Regulatory Commission ("FERC") and other federal authorities, that (among

other matters) is responsible for ensuring that the regional transmission system is reliably planned to provide for existing and expected use of that system.[1] MISO performs collaborative planning functions for the transmission system with its member transmission owners and other stakeholders while independently assessing regional transmission needs.[2] Those planning functions resulted in identification of the IRP as an important link that will provide benefits to Illinois as well as the surrounding region.

The IRP is an important portion of MISO's Multi-Value Project ("MVP") portfolio of transmission upgrades that involves a 345 kV electric transmission line and related facilities in an area extending from the Mississippi River near Quincy, Illinois to the Indiana state line, including portions connecting the Ipava and Meredosia substations in Western Illinois and the Rising and Sidney substations in Eastern Illinois.[3] The MVP portfolio is a group of inter-related transmission projects distributed across the transmission system whose expansion is overseen by MISO.[4] The MVP portfolio provides for net economic benefits by reducing production costs, enables the satisfaction of Illinois and neighboring state renewable portfolio standards, and helps ensure the future reliability of the ATXI and Ameren Illinois Company ("AIC") transmission systems.[5] After an extensive, multi-year, collaborative planning effort that included information provided by transmission owners, state regulatory authorities, and other stakeholders, the MVP portfolio was approved as part of the MISO Transmission Expansion Plan ("MTEP") for 2011.[6]

[1] MISO's functions and general description is the subject of testimony by Jeffrey R. Webb, MISO's Senior Director of Expansion Planning. MISO Ex. 1.0(Rev) at 4-5 (Webb Direct).
[2] Id. at 5; MISO Ex. 2.0(Rev) at 4-6 (Webb Rebuttal).
[3] MISO's MVP process and portfolio is generally the subject of MISO Ex. 1.0(Rev) at 16-19 (Webb Direct).
[4] MISO is a not-for-profit regional transmission organization that provides reliability and market services over a region that stretches from the Ohio-Indiana border to Eastern Montana. Id. at 4.
[5] Id. at 16-17.
[6] Id. at 6, 8-9; MISO Ex. 2.0(Rev) at 4-6 (Webb Rebuttal).

Each MVP project is a necessary component of the portfolio that provides benefits that broadly span the MISO footprint.

The timely construction of the IRP is important to the ability of the ATXI and AIC transmission systems to continue their reliable service. Such timely construction is also important to provide Illinois with the economic benefits provided by completion of the MVP portfolio of transmission projects.

II. REQUIREMENTS FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

ATXI's application for the IRP satisfies the requirements of Section 8-406.1 of the Public Utilities Act for a Certificate of Public Convenience and Necessity, and an order should be issued pursuant to Sections 8-406.1(i) and 8-503 of the Public Utilities Act, which determines the existence of need for the facilities and authorizes the construction of the proposed high voltage transmission facilities. 220 ILCS 5/8-406.1(i) and 5/8-503.

As stated in ATXI Exhibit 1.1, the technical information filing requirements were satisfied through testimony and exhibits sponsored by multiple ATXI witnesses as well as its application filed with the ICC. ATXI also satisfied the notice requirements and informational meeting/website requirements pursuant to Sections 8-406.1(a)(3), (d), and (e).[7] ICC Staff Witness Rockrohr concurred with this conclusion.[8]

ATXI has demonstrated that based upon its application and the evidentiary record, "the Project will promote the public convenience and necessity" and that it satisfies the three criteria delineated in the statute. 220 ILCS 5/8-406.1(f). Specifically, as more fully described in Section

[7] ATXI Petition at 12-13; ATXI Ex. 1.0 at 11 (Borkowski Direct); ATXI Ex. 4.0 at 13-22 (Murphy Direct); ATXI Ex. 4.1, 4.7-4.9.
[8] ICC Staff Ex. 1.0R at 4, 9-10 (Rockrohr Direct).

III below regarding the overall need for the proposed facilities, the record demonstrates that the Project satisfies the first criterion because the IRP is necessary to provide adequate, reliable, and efficient service to customers, is the least-cost means of satisfying these service needs, *and* promotes the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least-cost means of satisfying the objectives. 220 ILCS 5/8-406.1(f)(1).

As discussed in Sections V and VI below, the second two criteria are satisfied inasmuch as ATXI is capable of financing, efficiently managing, and supervising the construction process. 220 ILCS 5/8-406.1(f)(2) and (3).

Upon the issuance of a certificate under Section 8-406 of the Public Utilities Act, the Commission should also issue an order pursuant to Section 8-503 of the Public Utilities Act authorizing or directing the construction of the Project in the manner and within the time period prescribed by the order.[9]

III. OVERALL NEED FOR THE PROPOSED FACILITIES

The entire IRP is needed, pursuant to the schedule presented by ATXI, to provide the state of Illinois and the region the benefits of MISO's MVP portfolio of transmission projects.[10] As explained above, the need for a Project is determined through a deliberate, collaborative stakeholder process, which includes the design and planning of transmission projects through a structured, multi-year planning process:[11]

[9] Id. at 10.
[10] MISO Ex. 2.0(Rev) at 14-15 (Webb Rebuttal).
[11] MISO Ex. 2.0(Rev) at 6 (Webb Rebuttal) (footnote omitted). See also MISO Ex. 1.0(Rev) at 17-24 (Webb Direct).

> MISO set out, with its MVP portfolio analysis . . ., to take advantage of the link between local and regional reliability and economic benefits. Representatives of transmission owners, such as those from Ameren Services, identified potential transmission expansions that also met more localized needs in Illinois and other regions. The stakeholder process, through which the elements that comprise the Illinois Rivers Project were made part of the MVP portfolio, involved years of work.

The process involves the identification of candidate transmission projects, identification of alternatives, and completion of reliability analyses of all identified projects and alternatives, stakeholder vetting, and multiple studies that consider various options and alternatives to designing and structuring needed transmission facilities.[12]

The record reflects that upon the completion of the extensive, multi-year planning process described throughout this Brief, MISO (the RTO) determined that the Project is necessary to meet local load serving needs of the system in the area,[13] to promote the development of a reliable and efficient competitive electric market,[14] and to ensure that renewable portfolio standards of all states in the MISO footprint can be met[15] while distributing economic benefits from reduced congestion and production costs to ratepayers within the region.[16] MISO Witness Webb stated MISO's conclusion that the IRP "is a necessary project that meets the local load serving needs of the system in the Illinois Rivers area and that also fits well as a component of the MISO Regional Plan for the continued development of a reliable and efficient regional transmission system."[17] The IRP was included in the MVP portfolio that was approved by MISO's Board of Directors on December 8, 2011 as part of MISO's MTEP11.[18]

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[12] MISO Ex. 1.0(Rev) at 17-24 (Webb Direct).
[13] Id. at 19-24.
[14] Id. at 18-19, 24-25.
[15] Id. at 25-26.
[16] Id. at 17, 25.
[17] Id. at 32.
[18] Id. at 6.

ICC Staff Witness Rockrohr agreed with MISO's results, concluding: "While it is possible that ATXI or AIC could construct alternative projects to resolve specific loading and voltage issues within Illinois, the Illinois Rivers Project appears to me to be a superior approach, as it addressed needs within MISO's entire operating region: not only needs within Illinois."[19] ICC Staff Witness Rockrohr stated that he had "no reason to question MISO's conclusion that an additional 345 kV line across central Illinois is necessary . . . to satisfy the service needs of not only electric utility customers in Illinois, but also electric utility customers in the entire MISO footprint."[20]

As recognized by ATXI Witnesses Borkowski and Kramer, Staff and intervenors do not (with limited exceptions) generally oppose the need for the Project.[21] Only one intervening party (Ragheb Family) filed testimony disputing MISO's above-stated conclusion, questioning the process and certain aspects of the Project. Testimony on behalf of the Ragheb Family, however, supported the overall concept of the Project and proposed an alternative route.[22] Specifically, the Ragheb Family stated that it "supports the development of renewable energy resources, particularly wind resources in the Midwest, and acknowledges that adequately designed transmission lines are needed to effectively dispatch the electricity from the generation location to consumers."[23] Two other parties (MCPO and Staff) questioned whether need existed for the Mt. Zion substation and the associated facilities (see Section IV.F. below).[24]

In response to criticisms regarding the need for the overall Project and the thoroughness of MISO's planning process and alternatives considered, MISO Witness Webb explained

[19] ICC Staff Ex. 1.0R at 6 (Rockrohr Direct); also see, Transcript at 265 (May 13, 2013).
[20] ICC Staff Ex. 1.0R at 7 (Rockrohr Direct); also see, Transcript at 272 (May 13, 2013).
[21] ATXI Ex. 10.0(Rev) at 4-5 (Borkowski Rebuttal); ATXI Ex. 11.0(Rev) at 2-3 (Kramer Rebuttal).
[22] Ragheb Family Ex. 1.0R at 6-9 (Ragheb Direct).
[23] Id. at 6-7.
[24] ATXI Ex. 10.0(Rev) at 4-5 (Borkowski Rebuttal); ATXI Ex. 11.0(Rev) at 4 (Kramer Rebuttal).

MISO's extensive planning and selection process and explained that the Project was not "rushed."[25] He cited various studies that were conducted to determine which transmission projects would be compatible with future, long-term transmission system development of high voltage kilovolt lines, as well as high voltage direct current ("HVDC") options.[26] Projects were studied to evaluate the expansion of transmission facilities to effectively meet multi-value portfolios, including renewable portfolio standards, and to take advantage of any nexus between local and regional reliability and economic benefits.[27] MISO Witness Webb explained that alternative designs, voltages, and technologies, including building at the 345 kV and 765 kV levels and building HVDC facilities, were considered and analyzed, and ultimately not selected for the MVP portfolio as those alternative designs were more suitable for other purposes, not the stated purpose for which the MVP portfolio was created and designed to meet.[28]

At the hearing, Dr. Ragheb recognized the comprehensive process that MISO had undergone prior to approving the IRP, including the consideration of alternatives, admitting that MISO's process was unknown to him at the time his testimony was originally filed and admitting that he neither read nor considered MISO Witness Webb's direct testimony (originally filed on November 8, 2012) prior to submitting his own direct testimony.[29] ICC Staff Witness Rockrohr and Wind on the Wires Witness Goggin also acknowledged MISO's extensive, collaborative stakeholder process that was undertaken prior to the selection of the appropriate transmission projects that would satisfy the local and regional needs.[30]

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[25] MISO Ex. 2.0(Rev) at 4-7 (Webb Rebuttal) (responding to Ragheb Family Ex. 1.0R at 20-27, 29-32).
[26] Id.
[27] Id.
[28] Id. at 6-7.
[29] Transcript at 660-67 (May 16, 2013).
[30] Transcript at 262-65 (May 13, 2013); WOW Ex. 1.0 at 7-12 (Goggin Direct).

Although Staff agrees that the Project is necessary, Staff Witness Rockrohr initially raised concerns regarding the need for the Mt. Zion substation (discussed below), and the connection of AIC's existing facilities to the proposed transmission line.[31] Staff Witness Rockrohr explained that the Project's benefits for Illinois will only occur if the Project is connected to AIC's existing facilities.[32] MISO agrees, and MISO Witness Webb stated that the MVP portfolio includes the 138 kV transmission system connections to the Project.[33] Mr. Webb explained that transmission owners ("TOs") are obligated to construct and connect transmission facilities pursuant to MISO's Transmission Owner Agreement ("TOA").[34]

The TOs have an ongoing responsibility to continuously review and plan to reliably and efficiently meet the needs of their local systems.[35] MISO has already approved the IRP as part of an MVP project, including the specific connections by AIC to the substations at issue in this proceeding. As a party to the TOA, ATXI recognized its obligation under the TOA to make connections as directed by MISO pursuant to its approved MTEP.[36] AIC has similarly recognized its obligations as a transmission owner.[37] Nonetheless, in addition to the MISO TOA requirements, AIC affirmatively committed to complete the necessary connections in a timely manner consistent with the in-service dates specified for the Project.[38] With this commitment, Staff Witness Rockrohr testified that he is satisfied that it has been demonstrated that AIC will

[31] ICC Staff Ex.1.0R at 13-18, 47-49 (Rockrohr Direct).
[32] Id. at 13-18.
[33] Staff-MISO Joint Ex. 1, MISO responses to ENG-MISO 1.1 and 1.4.
[34] MISO Ex. 1.0(Rev) at 7-8, 13 (Webb Direct); MISO Ex. 2.0(Rev) at 11-13 (Webb Rebuttal)
[35] MISO Ex. 1.0(Rev) at 8 (Webb Direct).
[36] ATXI Ex. 10.0(Rev) at 10 (Borkowski Rebuttal).
[37] ATXI Ex. 10.3.
[38] ATXI Ex. 10.0(Rev) at 11 (Borkowski Rebuttal); ATXI Ex. 10.3.

connect to the ATXI system; thereby, addressing those concerns set forth in his direct testimony.[39]

In addition to the completion of connections with existing facilities, it is imperative that the entire IRP be completed as proposed. MISO Witness Webb addressed the negative impact, both in Illinois and elsewhere, that would result from not constructing the IRP as part of the MVP portfolio as planned:[40]

> The purpose of the very extensive planning functions of MISO is to involve all stakeholders in a process that will derive the most cost-efficient expansion plan that will meet local and regional needs for reliability, optimize access to economical power resources, and deliver other important values that benefit the ultimate consumer and society. The MTEP amounts to the design of a very complex system that will serve both short- and long-term needs of the bulk electrical grid in a coordinated manner. If one key element of the regional expansion plan, especially a 'backbone' element, such as this Project, designed for both reliability and economic attributes, is not constructed it could require considerable re-design involving possible delay, additional expense, and impacts to the reliable addition of new generation supplies and service to load.

Failure to construct the IRP will have a negative impact on Illinois, and will also have reliability implications:[41]

> [I]f the Project was not constructed as planned, it would result in the inability of the existing ATXI and Ameren Illinois systems to continue to provide reliable service. As I have described, the MISO analyses of the Project identified numerous 345 kV and 138 kV transmission facilities that will be loaded above safe operating levels or below adequate voltage levels without the Project.

The IRP is a necessary component of the MVP portfolio of transmission projects.[42]

ATXI Witness Hackman further testified to the necessity of the Project as part of MISO's MVP and the importance of the Project for reliability purposes:[43]

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[39] Transcript at 293 (May 13, 2013).
[40] MISO Ex. 1.0(Rev) at 31 (Webb Direct).
[41] Id. at 31-32.
[42] MISO Ex. 2.0(Rev) at 14-15 (Webb Rebuttal); ATXI Ex. 2.0 at 3-4 (Kramer Direct).

> [T]his Illinois Rivers Project is part of the MISO's portfolio, which is a -- multivalue project[]. So certainly, the ability to transfer renewable energy from the sources to the loads is important, and the loads are in Illinois as well as, of course, points east.
>
> But the other component -- and this is really important to remember -- is that this Illinois Rivers Project also provides reliability benefits, because it's going to take the place of projects that would have had to have been done to provide local area [reliability]. Various portions of Illinois are better supported with transmission lines because of the way it's developed, and others are not as quite well-supported.
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> * * *
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> And so as Illinois [R]ivers goes across the state, it serves different purposes, depending on where it's at. So in this area, certainly it's going to provide more reliability benefits -- its value to the customers is more reliability even than the energy transfer in this area.

ATXI Witness Hackman described the MVP as "combination projects to deliver renewables as well as reliability benefits," adding: "That's what the MVP was for -- multivalue. M -- that's what the M was for, multi. . . . that these are not just local delivery lines. These are lines that are important every day."[44]

Wind on the Wires Witness Goggin stated that the IRP will provide Illinois consumers with significantly greater access to low-cost wind energy resources, will improve reliability, alleviate congestion on the transmission system managed by MISO, and promote the development of an effectively competitive electricity market that operates efficiently and lowers costs.[45]

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[43] Transcript at 988-89, lns 14-22, 1-6, 13-19 (May 17, 2013).
[44] Id. at 992, lns 13-20 (May 17, 2013).
[45] WOW Ex. 1.0 at 1-2, 7, 14-16, 21, 25 (Goggin Direct).

IV. LEAST-COST AND THE PROPOSED TRANSMISSION LINE ROUTES

As stated in Sections II and III above, the proposed IRP has been determined to be necessary and the "superior approach."[46] Section 8-406.1 of the Public Utilities Act requires:[47]

> That the Project is necessary to provide adequate, reliable, and efficient service to the public utility's customers and is the least-cost means of satisfying the service needs of the public utility's customers or that the Project will promote the development of an effectively competitive electricity market that operates efficiently is equitable to all customers, and is the least cost means of satisfying those objectives.

MISO Witness Webb explained that the MVP portfolio provides for "a more efficient dispatch of generation resources, opening markets to competition and spreading the benefits of low cost generation throughout the MISO footprint."[48] He also explained that, "[o]verall, MISO found that alternative paths for the [IRP] were less effective and more costly due to longer line lengths."[49]

ICC Staff Witness Rockrohr concurred, concluding that spreading the costs to correct local reliability and voltage issues across the entire MISO footprint as part of the regional IRP would be a lower-cost option than Illinois customers bearing the cost to correct local reliability and voltage issues as separate projects.[50] ICC Staff Witness Rockrohr determined that he had "no reason to question MISO's conclusion that an additional 345 kV line across central Illinois is . . . the least cost means to satisfy the service needs of not only electric utility customers in Illinois, but also electric utility customers in the entire MISO footprint."[51]

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[46] ICC Staff Ex. 1.0R at 6 (Rockrohr Direct).
[47] 220 ILCS 5/8-406.1(f)(1).
[48] MISO Ex. 1.0(Rev) at 24 (Webb Direct).
[49] Id.
[50] ICC Staff Ex. 1.0R at 6 (Rockrohr Direct); also see, Transcript at 272 (May 13, 2013).
[51] ICC Staff Ex. 1.0R at 7 (Rockrohr Direct); also see, Transcript at 272 (May 13, 2013).

F. Pana – Kansas

1. Need for Mt. Zion Substation

As ATXI Witness Kramer and Borkowski recognize, the Mt. Zion substation is needed to provide the full MVP benefits and to address future reliability issues in the Decatur area.[52] The Mt. Zion substation is an important component of the overall Project, which is justified by the total benefits provided under a variety of different future scenarios in addition to its ability to address future Decatur area reliability issues.[53] As explained by ATXI Witness Kramer, the Project will also address transmission overloading events and low-voltage concerns in the Decatur area.[54]

Notwithstanding the above, it is important to note that any alternative proposals to the construction of the Mt. Zion substation and transformer as proposed that would require substantial modification to the Project should be vetted in the MTEP stakeholder process in which all stakeholders would be permitted to engage in the discussion.[55] Through the multi-year planning process, many alternatives were discussed and analyzed with TOs and stakeholders, including alternative routes, design, voltages, and technologies.[56] MISO focuses on the reliability and stability of the region, and coordination with neighboring planning regions, while the TOs are responsible for their local systems.[57] Second guessing MISO's process that resulted in the proposed design, including the inclusion of the Mt. Zion substation, would disrupt MISO's extensive, transparent, collaborative process as well as cause delay.[58] As MISO Witness Webb

[52] ATXI Ex. 10.0(Rev) at 12 (Borkowski Rebuttal); ATXI Ex. 11.0(Rev) at 12-21(Kramer Rebuttal).
[53] ATXI Ex. 11.0(Rev) at 12-21(Kramer Rebuttal).
[54] Id. at 12-21.
[55] MISO Ex. 2.0(Rev) at 8-9 (Webb Rebuttal).
[56] Id. at 4-6, 8-9.
[57] MISO Ex. 1.0(Rev) at 8 (Webb Direct).
[58] MISO Ex. 2.0(Rev) at 8 (Webb Rebuttal).

recognizes: "The FERC Order 890-compliant regional planning process provides ample opportunity for stakeholder vetting of alternative proposals in a manner that includes all stakeholders in MISO's regional planning process."[59]

Any significant redesign of a proposed project after the extensive regional planning process has concluded, such as the elimination of the Mt. Zion substation, would have to be evaluated by MISO and its stakeholders so that MISO may ensure that the redesigned project will continue to meet the initial needs attributed to the project.[60] The redesigned project may also have to receive approval from MISO's Board of Directors. As described further in Section VII below, any modification to the regional plan or base plan could affect other projects and subsequent planning cycles, causing delay.[61]

V. MANAGING AND SUPERVISING THE CONSTRUCTION PROCESS

Ameren Services Company will provide ATXI with all the required planning, design, construction, engineering, and other services to oversee and manage the Project, pursuant to the General Services Agreement between Ameren Services and its subsidiaries.[62] As such, ATXI has demonstrated that it satisfies Section 8-406.1(f)(2) of the Public Utilities Act as noted above. ICC Staff Witness Rockrohr testified that the majority of his concerns have been addressed with regard to the continual operation and management of the Project should ATXI's succession plan be implemented during the completion of the Project.[63]

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[59] Id.
[60] Id. at 9.
[61] Id.
[62] ATXI Ex. 10.0(Rev) at 18 (Borkowski Rebuttal); also see ATXI Ex. 10.5.
[63] Transcript at 286 (May 13, 2013).

VI. FINANCING THE PROPOSED CONSTRUCTION

ATXI will primarily rely on Ameren for its source of funds, which will include short- and long-term intercompany loans from Ameren and periodic equity infusions into ATXI.[64] ATXI will also self-fund a portion of the Project with retained earnings, and will receive some funding from MISO from revenues that it collects from services rendered.[65] Accordingly, ATXI has demonstrated that it satisfies Section 8-406.1(f)(3) of the Public Utilities Act as noted above. ICC Staff Witness Rockrohr testified that he is satisfied that this criterion has been met.[66]

VII. OTHER—DELAY AND TIMING OF CERTAIN SEGMENTS

As stated in Sections II and III above, ATXI has demonstrated that need exists for the proposed transmission facilities. Additionally, there is a pressing reliability need to proceed in a timely manner with the Mississippi River to Quincy, Quincy to Meredosia, and Pana to Mt. Zion segments, as supported by ATXI.[67]

To achieve the intended benefits, it is important that the entire IRP be constructed as planned, and the Commission approves all segments in this proceeding. Removing segments to be considered in future proceedings will cause unnecessary delay to the IRP and MISO's MTEP.[68] The MTEP is a complex system that will service both short- and long-term needs of the bulk electrical grid in a coordinated manner. If one key element of the regional expansion plan, such as this Project, which is designed for both reliability and economic attributes, is not

[64] ATXI Ex. 14.0 at 2 (Hughes Rebuttal).
[65] Id.
[66] Transcript at 287-88 (May 13, 2013).
[67] ATXI Ex. 2.4.
[68] MISO Ex. 2.0(Rev) at 13-14 (Webb Rebuttal).

constructed it could require considerable re-design.[69] This would cause delay, additional expense, and could impact the reliable addition of new generation supplies required to serve customers.

MISO is concerned that any delay in completing the IRP could disrupt MISO's entire regional plan, affecting other states and projected in-service dates, and causing reliability concerns to not be addressed in a timely manner.[70] MISO Witness Webb addressed the negative impact that would result from delay in the approval and construction of the IRP and any key segments of the IRP:[71]

> The MTEP process designs a complex system that will serve both the short- and long-term needs of the electric grid. If a key element of the regional expansion plan is not constructed, especially a 'backbone' element designed for both reliability and economic attributes, considerable re-design could involve delay, additional costs (including the need for new generation), and impacts on transmission system reliability. The separate proceedings, recommended by Mr. Rockrohr for approval of portions of the Project, raise the concern . . . : Hazards exist in connection with delay in the completion of the entire Project. The entire Project must be completed to achieve the benefits of urgently needed facilities that take years to construct.

The IRP is not only needed, but needed on a timely basis to prevent negative "ripple effects"[72] from occurring from failure to construct a necessary component of the MVP portfolio.

At the hearing, MISO Witness Webb warned against delay in approval of portions of the IRP. His testimony focused on two concerns: i) failure to complete the entirety of the construction by its 2018 planning completion point, and ii) delay in approval and construction of portions of the IRP scheduled to be constructed first.[73]

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[69] Id.
[70] MISO Ex. 1.0(Rev) at 31-32 (Webb Direct).
[71] MISO Ex. 2.0(Rev) at 14 (Webb Rebuttal) (citation omitted but referring to ICC Staff Ex. 1.0R at 3 (Rockrohr Direct) (delay resulting from convening a "separate proceeding" for a portion of the transmission line)).
[72] Id. at 9.
[73] Transcript at 369-71 (May 14, 2013).

Failure to complete a portion of the IRP by 2018, according to MISO Witness Webb, would create reliability problems at the point of any missing link in the 345 kV transmission system.[74] Such a missing link would result in new flows from the 345 kV path to the lower voltage system at the point of the missing portion of the IRP.[75] The negative impact of such a situation should be avoided by timely approval of all segments of the IRP.

Delay in proceeding with portions of the proposed IRP was raised at hearing. MISO Witness Webb testified, as stated above, that delay would be detrimental to providing the intended benefits that would be provided to Illinois and the MISO region. Additionally, in response to Attorney Examiner Yoder's inquiries, MISO Witness Webb testified that two components of the proposed transmission line are needed earlier than others to meet local reliability needs in Illinois. Those segments lie at the western end of the IRP (Palmyra Tap, the Quincy area) and the Pana to Mt. Zion segment (Decatur area).[76] Owing to the urgent local reliability needs, completion of the transmission line segments in these two areas is scheduled by ATXI to be completed in 2016.[77]

A more detailed description of the reliability needs of areas along the Project route was provided by MISO Witness Webb in his prefiled testimony.[78] As ATXI Witness Kramer explains: "[T]he sequencing of the construction of the Project line segments is very important. Consideration in a separate docket would cause delay for the Pana to Mt. Zion 345 kV line, which could place the 2016 in-service date for this part of the Project at risk."[79] Additionally,

[74] Id. at 370, lns 2-5 ("considerable reliability issues at the point that you stopped the line").
[75] Id. at 370, lns 7-8 ("find low voltage local area systems").
[76] Transcript at 371, lns 6-8 (May 14, 2013) (examination of MISO Witness Webb by ALJ Yoder).
[77] ATXI Ex. 2.4 (accompanying ATXI Ex. 2.0 (Kramer Direct)).
[78] MISO Ex. 1.0(Rev) at 20--22 (Webb Direct) (discussion of reliability concerns along the west-east route, including the Quincy area).
[79] ATXI Ex. 11.0(Rev) at 10 (Kramer Rebuttal).

the preferred construction sequence, as shown on ATXI Ex. 2.4, has been chosen to help minimize any disruptions to the transmission system during construction of the Project.[80]

The entirety of the IRP should be constructed in a timely fashion, and these time sensitive portions of the IRP should be approved as part of the overall IRP in order to serve customer needs in Illinois. As ATXI Witness Kramer emphasized: "[I]t is vitally important that the Project be examined holistically and not in a piecemeal manner in order to insure the full set of benefits are obtained in the necessary timeframe at the lowest total cost to the Ameren Illinois area customers."[81] Furthermore, upon review of the intervenors' testimony, MISO Witness Webb maintained his recommendation to support the IRP. Mr. Webb concluded that "[t]he Project as proposed by ATXI is a necessary project that meets local load serving needs in the area. The Project is an integral part of MISO's Regional Plan for the continued development of a reliable and efficient regional transmission system."[82]

WHEREFORE, MISO respectfully requests that the Commission grant a Certificate of Public Convenience and Necessity to ATXI and issue an order authorizing or directing the construction of the Project. The IRP should be approved as proposed and as adjusted by the efforts of ATXI in this proceeding. The timely construction of the IRP is important to the ability of the transmission system in Illinois to continue reliable service and to deliver the economic benefits of the MVP portfolio of transmission projects to Illinois.

MISO's regional planning provides an open and transparent process performed in accordance with several guiding documents, such as MISO's TOA, nine planning principles in FERC Order Nos. 890 & 1000, NERC standards, and MTEP reports. MISO, transmission

[80] Id.
[81] Id. at 12.
[82] MISO Ex. 2.0(Rev) at 14-15 (Webb Rebuttal).

owners, and other stakeholders carefully considered the Project through the Regional Generation Outlet Study, MVP, and MTEP processes,[83] and approved the Project through that process as the best approach. Any redesign of the Project could cause significant delay that will inhibit the benefits of the Project from reaching the customers of Illinois in a timely fashion and by the least cost means.

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Respectfully submitted,
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[83] MISO Ex. 1.0(Rev) at 6, 13, 15 (Webb Direct); MISO Ex. 2.0(Rev) at 3-4, 8 (Webb Rebuttal).